
AGENCY OVERVIEW**473 ND Housing Finance Agency**

Date: 01/13/2011**Time:** 10:59:37**Statutory Authority**

North Dakota Century Code Chapter 54-17.

Agency Description

North Dakota Housing Finance Agency is a public financial institution established to develop and administer affordable housing finance and assistance programs for eligible parties.

Agency Mission Statement

NDHFA's mission is to make housing more affordable for North Dakota's low and moderate-income residents by providing financing, management, information and other appropriate assistance.

Agency Performance Measures

NDHFA is audited annually by an independent auditing firm. This past year, as has been the case in prior years, the Agency received a clean, unqualified financial audit opinion and further there were no findings stated in the audit report.

Moody's Investors Service analyzes the NDHFA bond issue debt outstanding and has issued an Aa1 rating for the Agency's 1994 General Bond Resolution, which at the present time has \$803,840,000 in bond debt outstanding. Moody's Investors Service analyzes the NDHFA bond issue debt outstanding and has issued an Aa3 rating for the Agency's 2009 General Bond Resolution, which at the present time has \$257,000,000 in bond debt outstanding. Aa1 is the second highest letter grade rating assigned by Moody's and is considered a very strong financial rating by the national financial markets.

Moody's also has assigned an A2 issuer rating to the NDHFA which is an Agency general debt rating.

Major Accomplishments

1. Funded more than \$2.300 billion (34,593) home loans.
2. Administered rental assistance for (3,661) affordable apartment units.
3. Assisted in the development of (6,081) Low Income Housing Tax Credit (LIHTC) rental units.

Future Critical Issues

1. Maintain staffing levels and increase financial resources required to support program demands and bond covenants.
2. Potential changes in Federal housing policy and programs, such as a shift in administrative responsibilities to the state level and shrinking federal funding.
3. Adapting housing policy and redirecting housing resources to North Dakota's changing population demographics.
4. Finding solutions to North Dakota's growing affordability gap and rural value gap.
5. Meet the growing workforce housing demand particularly in the oil impact areas of the state.
6. Preserving the state's affordable housing inventory in areas of high housing demand.
7. Find and direct resources to preserving the state's aging housing stock.

In previous appropriation budgets, NDHFA has had the following section incorporated into its budget to facilitate the utilization of unanticipated additional revenue: In addition to the amount appropriated the Housing Finance Agency in subdivision of section 1 of the Act, there is hereby appropriated any additional or unanticipated income from federal or other funds which may become available to the Agency for the biennium beginning July 1, 2011.

Accordingly, the Agency is submitting this budget in its entirety, which includes the additional paragraph.

REQUEST SUMMARY

473 ND Housing Finance Agency

Bill#: HB1014

Date: 01/13/2011

Time: 10:59:37

Biennium: 2011-2013

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
By Major Program					
ND Housing Finance Agency	35,914,349	78,119,343	(39,877,939)	38,241,404	0
Total Major Program	35,914,349	78,119,343	(39,877,939)	38,241,404	0
By Line Item					
Salaries and Wages	4,639,155	6,061,828	105,807	6,167,635	0
Operating Expenses	5,696,690	8,677,581	(3,562,732)	5,114,849	0
Grants	25,478,510	32,919,360	(6,060,440)	26,858,920	0
HFA Contingency	99,994	100,000	0	100,000	0
Federal Stimulus Funds 2009	0	30,360,574	(30,360,574)	0	0
Total Line Items	35,914,349	78,119,343	(39,877,939)	38,241,404	0
By Funding Source					
General Fund					
Federal Funds	24,193,072	60,879,934	(36,131,014)	24,748,920	0
Special Funds	11,721,277	17,239,409	(3,746,925)	13,492,484	0
Total Funding Source	35,914,349	78,119,343	(39,877,939)	38,241,404	0
Total FTE	43.00	46.00	0.00	46.00	0.00

REQUEST DETAIL

473 ND Housing Finance Agency
Biennium: 2011-2013

Bill#: HB1014

Date: 01/13/2011
Time: 10:59:37

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
Salaries and Wages					
Salaries - Permanent	3,434,124	4,371,609	91,455	4,463,064	0
Overtime	299	20,000	(800)	19,200	0
Fringe Benefits	1,204,732	1,670,219	15,152	1,685,371	0
Total	4,639,155	6,061,828	105,807	6,167,635	0
Salaries and Wages					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	4,639,155	6,061,828	105,807	6,167,635	0
Total	4,639,155	6,061,828	105,807	6,167,635	0
Operating Expenses					
Travel	159,028	221,170	(40,370)	180,800	0
Supplies - IT Software	18,219	26,000	(5,800)	20,200	0
Office Supplies	41,931	41,710	4,530	46,240	0
Postage	97,484	126,580	(5,230)	121,350	0
Printing	38,655	29,560	19,350	48,910	0
IT Equip Under \$5,000	26,103	44,100	4,400	48,500	0
Other Equip Under \$5,000	182,580	252,000	(250,000)	2,000	0
Insurance	5,150	3,826	(76)	3,750	0
Rentals/Leases-Equip & Other	5,696	3,170	1,870	5,040	0
Rentals/Leases - Bldg/Land	235,470	462,000	7,420	469,420	0
IT - Data Processing	88,366	100,800	33,020	133,820	0
IT - Communications	67,732	85,310	(15,630)	69,680	0
IT Contractual Srvcs and Rprs	50,091	59,000	750	59,750	0
Professional Development	95,699	148,180	(41,161)	107,019	0
Operating Fees and Services	3,549,302	6,150,060	(2,734,925)	3,415,135	0
Fees - Professional Services	209,194	324,115	59,120	383,235	0
Interest Expense	825,990	600,000	(600,000)	0	0
Total	5,696,690	8,677,581	(3,562,732)	5,114,849	0
Operating Expenses					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	5,696,690	8,677,581	(3,562,732)	5,114,849	0
Total	5,696,690	8,677,581	(3,562,732)	5,114,849	0
Grants					

REQUEST DETAIL

473 ND Housing Finance Agency

Bill#: HB1014

Date: 01/13/2011

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Biennium: 2011-2013

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
Grants, Benefits & Claims	25,478,510	32,919,360	(6,060,440)	26,858,920	0
Total	25,478,510	32,919,360	(6,060,440)	26,858,920	0
Grants					
General Fund	0	0	0	0	0
Federal Funds	24,193,072	30,519,360	(5,770,440)	24,748,920	0
Special Funds	1,285,438	2,400,000	(290,000)	2,110,000	0
Total	25,478,510	32,919,360	(6,060,440)	26,858,920	0
HFA Contingency					
Other Expenses	99,994	100,000	0	100,000	0
Total	99,994	100,000	0	100,000	0
HFA Contingency					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	99,994	100,000	0	100,000	0
Total	99,994	100,000	0	100,000	0
Federal Stimulus Funds 2009					
Grants, Benefits & Claims	0	30,360,574	(30,360,574)	0	0
Total	0	30,360,574	(30,360,574)	0	0
Federal Stimulus Funds 2009					
General Fund	0	0	0	0	0
Federal Funds	0	30,360,574	(30,360,574)	0	0
Special Funds	0	0	0	0	0
Total	0	30,360,574	(30,360,574)	0	0
Funding Sources					
General Fund	0	0	0	0	0
Federal Funds	24,193,072	60,879,934	(36,131,014)	24,748,920	0
Special Funds	11,721,277	17,239,409	(3,746,925)	13,492,484	0
Total Funding Sources	35,914,349	78,119,343	(39,877,939)	38,241,404	0

CHANGE PACKAGE SUMMARY

473 ND Housing Finance Agency

Biennium: 2011-2013

Bill#: HB1014

Date: 01/13/2011

Time: 10:59:37

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes						
One Time Budget Changes						
A-E 4 Relocation - One Time - Remove		0.00	0	0	(250,000)	(250,000)
A-E 5 Federal Stimulus		0.00	0	(30,360,574)	0	(30,360,574)
Total One Time Budget Changes		0.00	0	(30,360,574)	(250,000)	(30,610,574)
Ongoing Budget Changes						
A-A 2 Rates & Usage		0.00	0	0	(87,257)	(87,257)
A-A 3 HUD Grants		0.00	0	(5,770,440)	(190,000)	(5,960,440)
A-A 6 Program Outreach		0.00	0	0	113,350	113,350
A-A 7 Agency Loans		0.00	0	0	(3,288,955)	(3,288,955)
A-A 8 Projection		0.00	0	0	(149,870)	(149,870)
Base Payroll Change		0.00	0	0	105,807	105,807
Total Ongoing Budget Changes		0.00	0	(5,770,440)	(3,496,925)	(9,267,365)
Total Base Budget Changes		0.00	0	(36,131,014)	(3,746,925)	(39,877,939)

BUDGET CHANGES NARRATIVE**473 ND Housing Finance Agency****Bill#: HB1014****Date:** 01/13/2011**Time:** 10:59:37

Change Group: A	Change Type: A	Change No: 2	Priority: 2
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Rates & Usage

Change in NDHFA usage and rates charged by other entities.

Change Group: A	Change Type: A	Change No: 3	Priority: 5
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HUD Grants

Change in federal funds received.

Change Group: A	Change Type: A	Change No: 6	Priority: 1
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Program Outreach

Develop and provide technical and financial assistance to North Dakota communities for housing development.

Change Group: A	Change Type: A	Change No: 7	Priority: 4
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Agency Loans

Costs associated with Agency warehousing loans prior to sale to bond issue.

Change Group: A	Change Type: A	Change No: 8	Priority: 3
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Projection

Change in previous utilization projections.

Change Group: A	Change Type: E	Change No: 4	Priority: 6
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Relocation - One Time - Remove

Cost to move and furnish new location

Change Group: A	Change Type: E	Change No: 5	Priority: 7
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Federal Stimulus

NDHFA received stimulus funds for the Tax Credit Exchange Program and Tax Credit Assistance Program.